FSC-159-A	10/4/95	TO: ROM
SUBJECT: Field Sales Private Label Procedures		

DISTRIBUTION:

X	AVP	X	KAM	___	ELM
X	RSM	X	Reg.Mil.Mgr.	___	MIL
X	RBM	___	Reg.DF Mgr.	___	DF
X	ROM	___	DM	___	REP

cc: RBM
ROM
RMS
AMs
DMs

c/m: 10-5-95

As a result of the reorganization and account responsibility changes, there is a need to familiarize everyone with our Private Label procedures. There is an internal Forsyth Operations Department dedicated to support your overall needs; however, the day to day responsibilities of presenting and implementing Private Label programs will be handled by those of you assigned the direct account or chain headquarters. To this end, we have taken the process previously used and streamlined it for your use as described below.

- First and foremost, it is extremely important that everyone understand the role of Private Label and it's overall relationship to R. J. Reynolds Tobacco Company. Private Label, while profitable to our corporation, should not be viewed as a stand alone program, but a means by which we leverage partnerships with our customers both wholesale and retail. For instance, Private Label presentations should be made in conjunction with our Full Price and Branded Savings programs to ensure an overall advantage for RJR. By combining our programs, we achieve a much stronger #2 position at retail.

  In the near future, your Area Vice President will ask your Regional Sales Manager for a target list of prospective Private Label accounts. In the meantime, you should be giving considerable thought to where Private Label can be used to optimize RJR's overall position.

- All Private Label requests by you will be channeled through your respective AVP for concurrence, using Attachment I. It is extremely important to complete this form in its entirety, giving your AVP as much information as possible, so a correct decision can be made. This request must be submitted and approved before you make any presentation.

- If the request is approved, it will be forwarded by the AVP to Forsyth for research of brands available and routing for overall review and approval.

- Forsyth will return appropriate information to your Area Manager of Operations for field notification with a blank Contractual Agreement draft and a current price sheet for use in preparing your presentation. Please note that because of the complexity of pricing such as Fair Trade vs Non-Fair Trade, Wholesale vs Retail, as well as the pricing structure changes we experience from time to time, we will send you a new price sheet for each presentation you make. It is important to note that these documents are very sensitive and should be shared only on a need-to-know basis.

- When making an indirect chain presentation, we will modify the price sheet to exclude D/A terms, EFT, and the D/A Partners Program since this information should only be shared with the Direct Account.

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Source: https://www.industrydocuments.ucsf.edu/docs/qpyy0000

- As information, and with AVP concurrence, you may offer a retail chain only an up-front bonus to help the account kick off the new Private Label brand based on a maximum of $.20 per carton of projected PL sales for the first year of the Agreement. If this is done, it should be spelled out in an Addendum page with a pay back clause if the account does not reach the projected volume.

- After initial presentation, you will return the draft Agreement with appropriate blanks filled to the AMO for AVP approval. If any changes are needed to the Agreement or Addenda (separate page(s)) are required, send these also.

- Once AVP approves, AMO will return to Forsyth for final sign off and Legal Department concurrence.

- Forsyth will then forward two (2) Agreement originals, a Blank Customer Services Price File Sheet (Attachment 2), and a New Brand/Account Form (Attachment 3) directly to you for execution with instructions to return to Forsyth Operations. it is important to have both originals and any Addenda signed by the account and returned to us. If this does not happen, the account will not receive an original executed Agreement for its files.

- When the customer signed Agreements and Attachments are received, Forsyth will sign and return a fully executed original to your AMO for forwarding to you to give to the account. At this time, Forsyth will request product forecast information be generated by Customer Services/ BIAD.

- Customer Services will notify you of product availability in Public Warehouse(s) for initial ordering by you and the direct account(s). As a general guideline, it will usually require approximately three weeks from receipt of finalized Agreement before product for an existing brand is available in the Public Warehouse. A new brand request will take approximately 12 - 16 weeks.

- Forsyth will ensure that the account is added to the Target Report for volume tracking by Forsyth and the Sales Area. You will be added to the distribution list to ensure you can track the account's volume progress and you will also receive an Account Accrual report so you will know monies available to assist the account in running Private Label promotions.

- Attachment 3 will also tell you who your Customer Services Rep is for this specific account. You may call her regarding questions on Private Label shipments, Alliance Accrual balances, monthly rebates or the account's pricing in general. If you don't know who your Customer Services Rep is for an existing account, you may call one of the following Forsyth Customer Services Reps and they will help you. LuAnn Hamby, extension 3521; Donna Smitherman, extension 3078; Mabel Perry, extension 3140; or Sue Wright, extension 3545. When running promotions you should request funds from them by faxing the appropriate order form found in your Alliance Accrual book (Forsyth Tobacco Planning Guide). Please refer to FSC-122-B, dated 7/20/95 for Guide ordering. You should fill these request forms out fully to eliminate any delay in filling your orders.

- Each Sales Area has at least one Account Executive, who is familiar with the Forsyth Programs. If you have any questions or need help with a specific account, call them. They are a valuable resource to you and your Sales Area.

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Source: https://www.industrydocuments.ucsf.edu/docs/qpyy0000

As we integrate Forsyth sales responsibility into your everyday accountabilities, we will truly become recognized as a three tier company and you, the Total Category Manager for our industry.

Program Contacts: Area Manager of Operations
Sales Area Account Executive

R. J. REYNOLDS TOBACCO COMPANY

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Source: https://www.industrydocuments.ucsf.edu/docs/qpyy0000

ATTACHMENT 1

FORSYTH PRIVATE LABEL REQUEST

ACCOUNT NAME: _____ ___INDIRECT RETAIL CHAIN

ADDRESS: _____ ___DIRECT ACCOUNT

(No P.O. Boxes) _____ ___DIRECT RETAIL CHAIN

CHAIN ID/DA # _____

IF CHAIN: _____ AVG. INDUSTRY CPW _____ PRESENT LOWEST PRICED BRAND

_____ AVG. RJR CPW _____ PRESENT LOWEST PRICED BRAND AVG. CPW

_____ IND. FP CPW

_____ IND. BS CPW

_____ # STORES

_____

(SUPPLIER(S) NAME AND #)

STORE TYPE _____ (C/S, SM, ETC.)

RJR MERCHANDISING PLAN: ___YES ___NO

IF D/A: PRESENT P/L BRAND(S) _____

ANN. RJR DOLLAR VOL. _____ PRESENT P/L ANN. CASE VOL._____

RATIONALE FOR PRIVATE LABEL: _____

_____

_____

_____

COUNTIES AND STATES NEEDED: _____

_____

_____

_____

_____ _____

INITIATOR'S NAME & DIV. # AVP SIGNATURE

(Please Print)

VOICE MAIL #_____ RETAIL BONUS $_____

(CALCULATED BY S/A OFFICE)

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FOR FORSYTH USE ONLY

DATE RECEIVED _____

BRAND AVAILABLE _____ PLACED ON HOLD UNTIL _____

PICTURE/UPC'S SENT ___YES ___NOT YET AVAILABLE (NEW BRAND)

BLANK AGREEMENT SENT _____

Source: https://www.industrydocuments.ucsf.edu/docs/qpyy0000

ATTACHMENT 2

TO: GWEN SCOTT

FROM:

DATE:

BRAND

FIRST SHIP MO:

ACCOUNT #

NAME

ADDRESS

ATTN:

MAIL CHECK TO:

DIVISION NO:

	ORIGINAL AS OF:	REVISED AS OF:	REVISED AS OF:	REVISED AS OF:	REVISED AS OF:
LIST PRICE:					
P/L MONTHLY PMT					
MKTING. ACCRUAL PMT					
OFF-INVOICE ALLOW.					

DIRECT SHIP-TO LOCATIONS:

NEW*	DELETE*	SIS #	SHIP-TO

* INDICATE IN PROPER COLUMN WHETHER ADDING OR DELETING DIRECT ACCOUNT.

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Source: https://www.industrydocuments.ucsf.edu/docs/qpyy0000

ATTACHMENT 3

___NEW BRAND ___ NEW ACCOUNT ___ LINE EXTENSION

Forsyth/Field Sales Contact Person: _____ Phone: _____

Voice Mail: _____

Customer Services Contact Person: _____ Phone: _____

(Completed by Forsyth) (Completed by Forsyth)

Brand Name: _____

(Completed by Forsyth)

Brand Styles indicated below are those currently manufactured - if style(s) not needed, mark out; if additional styles needed, check appropriate block (current styles will be filled out by Forsyth when Brand is determined).

__FF 85 __LT 85 __LT M 85 __ULT 85 __FF M 85 __FF BOX __FF M BOX __LT 100 BOX

__FF 100 __LT 100 __LT M 100 __ULT 100 __FF M 100 __LT BOX __LT M BOX __NON-FILTER

Do you expect this new brand to behave like any of the following brands?

__GPC __BASIC __MONARCH __BEST VALUE __ _____

(Other)

Is the new brand replacing an existing brand? _____

(brand being replaced)

Please note any other pertinent information that may aid in the forecasting process (e.g., comparable accounts, estimated share, pricing issues, etc.)

_____

_____

_____

_____

_____

Are introductory promotions expected? __YES __NO If yes, attach promotions form from Forsyth Planning Guide.

_____

TO BE FILLED OUT BY FORSYTH/CUSTOMER SERVICES

_ Check here if a forecast is needed for all accounts currently purchasing the brand (for line extensions only), or provide account information in the spaces below.

Account Names:	Account Numbers:	# of Stores to receive brand:	Whse Name/Number:

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- When providing AIM data, Customer Services will pull 13 weeks of current information, when available.

Source: https://www.industrydocuments.ucsf.edu/docs/qpyy0000